

PRESS RELEASE

Lime Petroleum acquires 10 per cent of producing Yme Field in Norway

- *The transaction consideration of US\$68 million includes NOK 309 million (~US\$33 million) in deferred tax assets which are recoverable for Lime Petroleum*
- *Expected peak production from the Yme Field of estimated 5,000 barrels of oil equivalent per day (net) will add to Rex Group's production target of 20,000 bpd*
- *Remaining 2P Reserves of about 6.0 mmbbl in the Yme Field net to Lime Petroleum*

SINGAPORE, 10 August 2022 – Rex International Holding Limited (“Rex International Holding”, “Rex” or the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that its 91.65 per cent subsidiary Lime Petroleum AS (“Lime Petroleum”), has on 10 August 2022, entered into a sale and purchase agreement with KUFPEC Norway AS (“KUFPEC”), to acquire KUFPEC’s 10 per cent interest in the Yme Field (as defined herein) on the Norwegian North Sea, for a post-tax consideration of US\$68.053 million (about NOK 633 million) (the “Acquisition”). The Yme Field is operated by Repsol Norge AS.

The Acquisition further strengthens Lime Petroleum’s position as a full-fledged exploration and production player in the Norwegian Continental Shelf, following its acquisition of a 33.8434 per cent interest in the producing Brage Field in 2021. Production from the Yme Field will contribute to the Group’s target of reaching production of 20,000 bpd across various geographies.

The Yme Field is located in PL 316 and PL 316B on the Norwegian Continental Shelf. According to the Norwegian Petroleum Directorate, Yme is a field in the south-eastern part of the Norwegian sector of the North Sea, 130 kilometres northeast of the Ula field (the “Yme Field”). The water depth is 100 metres. The field comprises two separate main structures, Gamma and Beta, which are 12 kilometres apart. The reservoirs are in sandstone of Middle Jurassic age in the Sandnes Formation, at a depth of 3,150 metres.

Yme was discovered in 1987, and production started in 1996. In 2001, production ceased because operation of the field was no longer regarded as profitable. According to the Norwegian Petroleum Directorate, remaining reserves in the Yme Field stand at 9.70 million Sm³ of oil equivalent i.e. there are remaining 2P Reserves of about 6.0 mmboc in the Yme Field net to Lime Petroleum. With this reserve base, the field has gone through a complete redevelopment, and production started again in October 2021. The field has undergone a commissioning period and is currently ramping up towards a plateau of about 5,000 bopd net to Lime Petroleum in late Q4 2022. Lime Petroleum intends to commission a summary qualified person's report on the Yme Field after completion of the Acquisition.

Mr Dan Broström, Executive Chairman of Rex International Holding, said, "This acquisition of more producing assets by Lime Petroleum is part of the Rex Group's capital management and investment strategy to seize opportunities with an aim to build and unlock value for our stakeholders. As part of the Acquisition, Lime Petroleum will assume tax balances (as at 1 January 2022) of NOK309 million (US\$33 million). Including the existing tax balance of the Lime Petroleum, the total tax balance will be NOK587 million (US\$63 million). These deferred tax assets are recoverable for Lime Petroleum. This is especially important as the Norwegian tax system has been restructured to a cash-flow tax, among which is the removal of the specific tax incentive for exploration activities from 2022."

"Rex considers the acquisition to be highly accretive and it will have a positive impact on revenue, EBITDA, profit and production in the long term. Completion of the Acquisition is expected in the fourth quarter of 2022. Similar to the Brage acquisition, the effective date of the Acquisition, upon completion, will be deemed to have taken place on 1 January 2022, as is the norm for transactions in the Norwegian Continental Shelf," Mr Broström added.

The transaction will be financed through a combination of cash at hand and funds from the NOK 950 million bond that was raised in June 2022 with assistance from Nordic independent investment bank ABG Sundal Collier ASA.

Further details of the Acquisition may be found in the Company's announcement dated 10 August 2022.

Sources: Norwegian Petroleum Directorate website - [Field: YME - Factpages - NPD](#)
[Field: YME - Norwegianpetroleum.no \(norskpeteroleum.no\)](#)

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Disclaimer

This press release may contain projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of the Company and its directors. Actual future performance, outcome and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. The Company does not assume any responsibility to amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events, or otherwise. These statements can be recognised by the use of words such as "expects," "plans," "will," "estimates," "projects," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and actual results may differ from those forecast and projected or in the forward-looking statements as a result of various factors and assumptions. Shareholders and investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management of future events.

About Lime Petroleum AS

Established in 2012 in Oslo, Lime is a 91.65 per cent subsidiary of the Company. Lime was pre-qualified in February 2013 and has since built a portfolio of licences focusing on mature areas close to existing oil and gas infrastructure. The organisation has vast expertise in oil & gas exploration and production, both from Norway and internationally. The company uses high-quality seismic data and Rex Virtual Drilling technology together with conventional seismic attributes and analysis of the petroleum systems in its exploration efforts.

About Rex International Holding

*Rex International Holding Limited ("**Rex International Holding**", "**Rex**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a multinational oil exploration and production ("**E&P**") company listed on Singapore Exchange Securities Trading Limited's Mainboard. The Group has interests in exploration and production licences in Oman, Norway and Malaysia, and holds operatorship for the assets in Oman and Malaysia. The Group de-risks its portfolio of exploration and development assets using its proprietary liquid hydrocarbon indicator Rex Virtual Drilling technology, which can identify liquids in the sub-surface using seismic data. Since the Company's listing in July 2013, the Group has achieved four offshore discoveries, one in Oman and three in Norway.*

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